

Message Text

LIMITED OFFICIAL USE

PAGE 01 CARACA 00820 221416Z

47

ACTION ARA-10

INFO OCT-01 ISO-00 ARAE-00 EB-07 COME-00 IO-10 SS-15 NSC-05

SP-02 PA-01 PRS-01 USIA-06 STR-01 L-02 H-01 RSC-01

/063 W

----- 123601

P 212112Z JAN 75

FM AMEMBASSY CARACAS

TO SECSTATE WAHSDC PRIORITY 7358

LIMITED OFFICIAL USE CARACAS 820

EO 11652 NA

TAGS: ETRD, VE

SUBJ: OAS MEETING ON US TRADE LAW

REF: STATE 13390

1. THE JAN 20 MEETING OF THE SPECIAL SESSION OF THE OAS PERMANENT COUNCIL WAS WIDELY REPORTED IN THE CARACAS PRESS ON JAN 21. AP AND UPI REPORTS DATED IN WASHINGTON QUOTED EXTENSIVELY FROM THE STATEMENT OF JOHN FORD, US DELEGATE TO THE MEETING. WHILE MOST OF THE REPORTS CONFORMED CLOSELY TO THE STATEMENT AS REPORTED IN REF, FORD WAS ALSO REPORTED TO HAVE SAID THAT THE ADMINISTRATION DOES NOT INTEND TO REQUEST CONGRESS TO MODIFY THE LAW TO ELIMINATE CONDITIONS UNDER WHICH GENERALIZED TARIFF PREFERENCES FOR MANUFACTURED PRODUCTS WOULD BE GRANTED. FORD WAS QUOTED AS SAYING THAT THE PROCEDURE WOULD "NOT BE PRODUCTIVE".

2. THE PRESS ALSO CARRIED EXTENSIVE COVERAGE OF THE STATEMENTS OF VENEZUELA'S OAS AMBASSADOR MACHIN AND OTHER LATIN AMERICAN SPOKESMEN. MACHIN WAS QUOTED AS CALLING THE TRADE LAW A "FRONTAL ATTACK" AGAINST VENEZUELA.

3. THE PRESS ALSO GAVE PROMINENT COVERAGE TO MY BRIEF COMMENTS TO REPORTERS ON JAN 20 REGARDING THE TRADE LAW. I WAS

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 CARACA 00820 221416Z

REPORTED CORRECTLY TO HAVE INDICATED THAT THE US IS WORKING

FOR A MODIFICATION OF THE TRADE LAW SO THAT IT WOULD NOT EXCLUDE COUNTRIES SUCH AS VENEZUELA AND ECUADOR FROM GSP. THE PRESS REPORTS APPEARED TO INDICATE THAT FORD'S STATEMENTS IN THE MEETING AND MY OWN STATEMENTS TO THE PRESS WERE COMPLETELY CONTRADICTORY.

4. AFTER BEING ASSURED BY WASHINGTON THAT THERE WAS NO BASIS FOR PRESS REPORTS ALLEGING THAT FORD HAD SAID THAT THE US WOULD NOT SEEK ANY MODIFICATION OF THE TRADE LAW, USIS SENT THE FOLLOWING CLARIFYING EXCERPTS FROM FORD'S STATEMENT TO THE PRESS:

" MUCH OF THE ADVERSE REACTION OF THE TRADE ACT HAS FOCUSED ON THE POSSIBLE INELIGIBILITY OF THE OPEC MEMBER COUNTRIES FOR BENEFICIARY STATUS FOR PURPOSES OF THE GENERALIZED SYSTEM OF PREFERENCES (GSP). AS YOU KNOW, THE EXECUTIVE BRANCH OF THE GOVT OPPOSED THIS PROVISION AND SOUGHT TO PREVENT IT FROM BECOMING LAW. SUBSEQUENTLY, THE PRESIDENT IN SIGNING THE LAW EXPRESSED HIS DISAPPOINTMENT WITH THIS PROVISION.

"SECRETARY KISSINGER, AS RECENTLY AS LAST THURSDAY(JAN 16) EXPRESSED THE VIEW OF THE ADMINISTRATION THAT SOME OF THE RESTRICTIONS IN THE LAW ARE UNWISE. HE PARTICULARLY REGRETTED THE RESTRICTIONS PLACED ON MEMBERSHIP IN OPEC AND WENT ON TO SAY THAT ' AFTER WE HAVE HAD AN OPPORTUNITY TO STUDY (THE LAW) WE WOULD BRING TO THE ATTENTION OF THE CONGRESS THE SPECIAL INEQUITIES THAT HAVE BEEN CAUSED BY THIS LEGISLATION.'

" FINALLY, MR. CHAIRMAN, I WOULD LIKE TO POINT OUT THAT WHILE THE LAW AS IT NOW STANDS MAY NOT BE ENTIRELY SATISFACTORY TO THE INTERESTS OF ALL CONCERNED, IT NEVERTHELESS PROVIDES AN IMPORTANT BASE FROM WHICH WE CAN MOVE FORWARD TO IMPROVE THE WORLD TRADING SYSTEM. SOME TIME WILL BE REQUIRED TO PUT THE LAW INTO OPERATION IN A WAY WHICH IS MOST BENEFICIAL TO ALL OF US. MY GOVT LOOKS FORWARD TO COOPERATING WITH THE OTHER GOVTS OF THIS HEMISPHERE TO MAXIMIZE THE POTENTIAL BENEFITS UNDER THE LAW. WE HAVE ALSO SAID THAT WE INTEND TO WORK WITH THE CONGRESS TO SEE WHAT CAN BE DONE TO MODIFY THE LESS DESIRABLE PROVISIONS."

MCCLINTOCK

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRADE LAW, PRESS COMMENTS, GOVERNMENT REACTIONS, SPEECHES
Control Number: n/a
Copy: SINGLE
Draft Date: 21 JAN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975CARACA00820
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750024-0078
From: CARACAS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750135/aaaabehi.tel
Line Count: 98
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 STATE 13390
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 12 SEP 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <12 SEP 2003 by izenbei0>; APPROVED <08 OCT 2003 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: OAS MEETING ON US TRADE LAW
TAGS: ETRD, PFOR, VE, XM, US, OAS, (FORD, JOHN), (MACHIN)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006